



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 20, 2005

H.R. 2981

A bill to amend the Small Business Act to expand and improve the assistance provided by the Small Business Development Centers to Indian Tribe Members, Native Alaskans, and Native Hawaiians

As ordered reported by the House Committee on Small Business on July 14, 2005

SUMMARY

H.R. 2981 would authorize the appropriation of \$21 million for fiscal years 2006 through 2008 for outreach to small businesses owned by Indian tribe members, Native Alaskans, and Native Hawaiians. Under the bill, the Small Business Administration would make grants to eligible Small Business Development Centers for assisting these groups with start-up and expansions of small businesses. Assuming appropriation of the specified amounts, CBO estimates that implementing H.R. 2981 would cost about \$18 million over the 2006-2010 period. Enacting the bill would not affect direct spending or revenues.

H.R. 2981 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would benefit state, local, and tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 2981 is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit). For this estimate, CBO assumes that the bill will be enacted by the end of 2005, that the authorized amounts will be appropriated for each fiscal year, and that outlays will follow historical trends. CBO estimates that implementing the bill would increase spending subject to appropriation by less than \$500,000 in 2006 and by about \$18 million over the 2006-2010 period for grants for outreach to small businesses owned by Indian tribe members, Native Alaskans, and Native Hawaiians.

	By Fiscal Year, in Millions of Dollars				
	2006	2007	2008	2009	2010
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	7	7	7	0	0
Estimated Outlays	*	3	5	6	4
NOTE: * = less than \$500,000.					

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2981 contains no intergovernmental or private-sector mandates as defined in UMRA. By authorizing appropriations for new Small Business Development Centers that meet certain requirements and by waiving requirements that eligible entities provide matching funds to establish them, the bill would benefit state, local, and tribal governments.

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